

*Bill will provide enhanced disclosure, transparency and counseling for military families*

Washington, DC – Working to protect the families of fallen soldiers, legislation introduced in August by Congresswoman Debbie Halvorson to provide disclosure and transparency on insurance practices related to death benefits for families of fallen soldiers and servicemembers passed the House today by a vote of 358-66.

Materials currently delivered to survivors do not clearly define the options available to them for the benefit. Survivors in the program have criticized the lack of information, after finding that the benefit goes into a “retained-asset account,” which allows the administering insurance company to hold on to benefits in non-FDIC insured accounts while earning interest above what is given to beneficiaries.

“When I first heard about this, I was outraged. Coming from a military family—the lack of information available to survivors about this benefit is extremely concerning. When my stepson was injured serving in Afghanistan, we got that call in the middle of the night—not knowing whether he would be OK. Fortunately, he survived, but my heart goes out to the families dealing with paperwork and legalese at a very vulnerable time.

“I can’t imagine what that would be like without all of the information clearly available. We need to put our survivors first and provide them transparency and disclosure as quickly as possible,” said Halvorson.

“These survivors also deserve additional counseling so they can make the best financial decisions for their families. That’s exactly what this bill provides, and I look forward to its quick consideration and passage in the Senate. It’s our solemn duty to protect and provide for our veterans and their family—and this legislation builds on other pieces of legislation that I’ve sponsored, including caregiver assistance and eliminating health care co-payments for catastrophically disabled veterans—to make sure that we’re providing not only our veterans, but for their families as well.”

“Furthermore, it’s important that the Senate quickly pass this legislation, so that families currently dealing with these accounts understand the options available to them. I look forward to future hearings regarding the use of these accounts, and the extra transparency about their usage that this bill requires,” said Halvorson

Questions about the program and the lack of information provided to survivors were raised by a Bloomberg article over the summer. Halvorson introduced a bill soon after to ensure military families are provided the information they need to make decisions regarding their benefit.

Halvorson’s legislation will provide enhanced disclosure and transparency for survivors. It will help Congress access information about the accounts, and her legislation also makes additional counseling available for survivors to help them make the best decision for their families at a difficult time.

The legislation was endorsed by The American Legion, the Veterans of Foreign Wars, the National Military Family Association, the Gold Star Wives of America, and the Military Officers Association of America.

The Securing America's Veterans Insurance Needs and Goals Act of 2010 (the SAVINGS Act), H.R. 5993, will now go to the Senate for consideration.

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